Company sells invent-ory

Gottlieb's got gadgets galore

Inventors got their reputation as oddballs thanks to people like Mark Gottlieb, inventor of a violin that can be played under water, as well as the more prosaic electronic Car Finder.

By LENORE SKENAZY

There are basically two kinds of inventors: the serious scientists at places like Bell Labs and the copy-worthy wackos whose scrapbooks bulge with newspaper stories beginning "There are basically two kinds of inventors. . . ." Mark Gottlieb, complete with scrapbook, is one of the latter.

The 30-year-old's first invention? Aquapods: plastic foam shoes that make it possible to walk on water without the help of higher authorities.

Naturally, he went on to create the Aqualin—a violin that can be played under water.

But after earning two master's degrees from Stanford University, the inventor decided to address more prosaic needs, like helping folks find their cars in a dark, crowded parking lot.

Press the button on his pocket-size Car Finder ($99.50) and your horn and headlights start to honk and flash, respectively.

His pricier Car Starter ($319) goes one step further and starts the engine.

A West Coast native, Mr. Gottlieb now works in the nation's capital, where he runs his six-person company, Design Tech, California-style. Thursday nights from 6:30 till midnight he and his colleagues "eat pizza, drink Diet Coke, go through all the projects and solve all the problems."

Most of the resulting products are sold through catalogs. They aren't advertised, Mr. Gottlieb says, "because we can't afford it."

These items include:

- The Caretaker, a device that allows absentee landlords to ring the phone in their second homes, which in turn electronically checks whether the pipes have frozen.
- The Sound Wedge, a $29.95 marvel that automatically lowers stereo volume when the phone rings. "No more 'Wait a sec, I have to turn the music down,' " as Mr. Gottlieb points out.
- The Postronic, one of Design Tech's newest gadgets, which sends a signal to the house when the mail has arrived.

Now just because the young man seems to be selling legitimate goods to responsible adults, that doesn't mean he has joined their ranks.

For instance, Mr. Gottlieb most enjoys activating his Car Starter not when his car is lost but when he sees it in plain view—and other people are walking in front of it.

"First they hear the horn and turn around to see where it came from," the inventor says. "Then they see the lights flash and the motor start. And then—they walk around and peer into the windows!"

At this point, Mr. Gottlieb likes to saunter up, unlock the haunted car and drive away.

Those left behind shake their heads: There goes a wacky scientist.#

IBM's ads do monster 'M*A*S*H'

(Continued from Page 3)

who said IBM ads came to mind first are in households with incomes of $60,000 or more, and more than 50% of those naming IBM were between the ages of 25 and 44.

Apple's advertising had better recall among less affluent respondents.

IBM's recall also is fairly evenly divided between male and female respondents (51% male), while those for whom Apple had better top-of-mind awareness were more likely (59%) to be female.

AdWatch is a joint project of Advertising Age and SRI Research Center, Lincoln, Neb.

Ad awareness is measured by asking a nationally projectable sample to name the advertising that first comes to mind of all seen, heard or read in the previous 30 days.

Consumers are queried on the first ad they remember overall, as well as in a variety of product areas.

During April, 1,000 consumers were polled by telephone.

Those changes in advertising awareness that are deemed statistically significant by adWatch researchers can be attributed to more than sample variation.

The overall Top 10 for April—when respondents were asked to name the first advertising that came to mind without regard to product category—contains some familiar names and two new entries *(see chart on Page 3)*.

Pepsi-Cola emerged as the best-recalled advertising, surpassing the popularity and memorability of those dancing California raisins. April was the first time since July 1986 that Pepsi-Cola has held the top spot.

Earlier this year, Pepsi-Cola unleashed new commercials featuring TV and film star Michael J. Fox (AA, Jan. 19, *et seq.*). Its recall score also may have been buoyed by the popularity of the "Top Gun" tie-in commercial for its Diet Pepsi brand.

Coca-Cola had the third-best overall recall score (behind the California raisins). Coca-Cola on March 5 broke its "You can't beat the feeling" multibrand campaign and continues to use Max Headroom in commercials for brand Coke.

Surprisingly, Pepsi-Cola's advertising registers most strongly with women: 75% of those who named Pepsi as the most memorable were female. The opposite is true for Coca-Cola: 62% of those who named Coca-Cola first were male.

Not surprisingly, both advertisers had their best recall among younger respondents: 25% of Pepsi namers were aged 18 to 24; 38% who said Coca-Cola were members of that "new generation."

When the sample was specifically asked to recall the first soft-drink advertising that came to mind, the memorability battle was very, very close: 31.1% named Pepsi-Cola, 30.3% named Coca-Cola.

Making a rare appearance among the top 10 in April was AT&T Co.

Although the company has several agencies doing creative for a variety of products and services, it's probably safe to guess that Ogilvy & Mather's controversial TV commercials for AT&T's business phone systems account for its recall increase, which earned it the No. 10 spot.

O&M's spots clearly have registered with consumers. The commercials use wandering camera work while frustrated phone users mumble their desperate complaints about the systems they have to deal with.

But whether that's because consumers find these spots interesting or annoying is impossible to discern from adWatch figures.

Last month's survey also provides glimmers of hope for two embattled agencies in the fast-food industry.

As J. Walter Thompson USA, New York, prepares for the struggle to retain Burger King Corp.'s account, it should note that its "Best food for fast times" campaign may be catching on. BK's share of first mentions in the fast-food category rose 4.2 points to 14.2% in April.

McDonald's, meanwhile, lost 4.2 points, sliding to a still-commanding 41.5% of first mentions.

Dick Rich Inc.s' "Give a little nibble" campaign for Wendy's International also moved the awareness needle a bit. The campaign made its debut April 6. Wendy's share was 9% in April, up from 7.1% the previous month.#

For more information or data, contact SRI Research Center, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

JWT plots BK defense

(Continued from Page 6)

would involve, in effect, having BK's Mid-Atlantic Region being handled by JWT's New York office as a separate account from the national business. (Currently, JWT fulfills BK's local needs through an overlay of 60 or so field contacts who do local media planning.)

The second key related component is to establish a sales-promotion capability that would integrate point-of-purchase, couponing and merchandising into the ad program. This has been a reported weakness in BK's marketing.

Since JWT does not now have a sales-promotion operation, fulfilling this plan might require purchasing or affiliating with a major sales-promotion shop.

The regional "prototype" idea is expected to be refined and developed further and become the heart of JWT's attempts to retain the account in further presentations, especially since it plays into JWT's particular strength of having more strong offices around the U.S. than many other major agencies.

Several sources noted that even the infamous "Herb" campaign, which was intended as a promotional vehicle, failed in part because there was no coordinated tie-in promotional support.

Sales went "through the roof," sources said, when franchisees on their own initiative developed tie-ins, such as Herb-burgers.

There appear to be two reasons why regional support that can integrate sales promotion is more relevant today, whereas in the past BK and JWT were better able to get more mileage by duplicating ad plans on a region-by-region basis.

One reason is the softness generally in the fast-food industry. Slower sales growth requires more promotional stimulation to sales.

Secondly, BK's rapid growth in recent years has given it more potential resources at the regional level.

There are regions with enough strong franchisees who, in addition to kicking in 2% of gross sales for national ad campaigns and 2% for local ad campaigns, can afford another 1% toward sales promotion.

JWT also is facing problems with Burger King business outside the U.S.

BK announced last week it is reviewing its $300,000 radio and print account in the U.K. JWT will not participate in that review, making the U.K. business the fifth piece of international BK work the agency has lost in the last year. Earlier JWT lost accounts in Hong Kong, West Germany, Korea and Spain (AA, Sept. 29). All those accounts combined are worth less than $4 million in billings.

One ray of hope for JWT was BK Canada's announcement last week that it will not review its $6 million account, now with the agency's Toronto office.#

European Editor Laurel Wentz contributed to this story.

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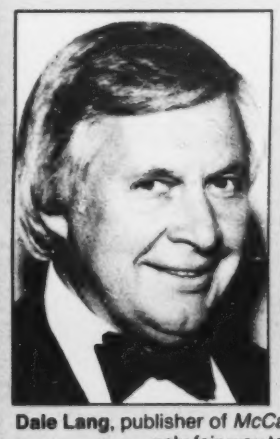

Dale Lang, publisher of *McCall's*, says the open rate card is "the only fair way to treat the situation."

'McCall's' opens war on rate card

By STUART J. ELLIOTT

NEW YORK—*McCall's* move to an "open," TV-style negotiable rate card is accelerating a shift to selling magazine ad pages like broadcast commercial time, and bringing an outcry from opponents of the trend.

Kenneth Caffrey, exec VP-director, media and broadcast operations, Ogilvy & Mather, said it is "conceivable *McCall's* may have signed its own death warrant in terms of negotiations ... when a magazine like *McCall's* announces it's negotiable, how will anyone know how far is down?"

"*McCall's* has thrown down the gauntlet," said Mike Drexler, exec VP-national media director at Bozell, Jacobs, Kenyon & Eckhardt. "It's going to spread, no question about it."

Effective with *McCall's* September issue, the decision by the women's-service monthly to abandon the traditional rate card is striking because it is co-owned by Time Inc., which is known for its

(Continued on Page 86)

Saatchi plots to keep Jeep

Spinoff or Esty union considered

By RAYMOND SERAFIN

Saatchi & Saatchi Co. will try to save the $120 million Renault/Jeep account by either spinning off the Detroit-area office of Saatchi & Saatchi Compton Worldwide into a new agency, or by merging the office into sister agency William Esty Co.

The restructuring would take place as Saatchi merges DFS Dorland Worldwide and Saatchi & Saatchi Compton, posing a conflict with the $200 million Toyota Motor Sales USA account held by DFS Dorland.

The changes could be announced as early as this week, sources said.

Other sources, however, contend both the Esty and spinoff plans are only proposals, and there is still much infighting within the Saatchi organization over the merger and conflict fallout.

The efforts to save the American Motors Corp. account have been complicated by the pending acquisition of Southfield, Mich.-based AMC by Chrysler Corp. The acquisition, already approved by the boards of directors of Chrysler, AMC and AMC's French parent, Renault, is expected to be completed by mid-August.

Under one agency restructuring scenario, Compton's 80-person office in Southfield will become autonomous, in effect creating a new agency reporting directly to Saatchi & Saatchi in London.

The principals in the new shop would likely be the five-man executive committee at the Southfield shop, headed by David Welch, an Englishman who was director of Compton-Europe before becoming president of the Detroit-area office.

Mr. Welch would likely become president-ceo. The other principals would be four management directors: Dick Johnson, creative; Rick Paschke, media; Mike

(Continued on Page 83)

Big Mac, NBA court Soviets

By BRIAN MORAN

McDonald's Corp. plans to tip off a marketing push into the Soviet Union this fall by sponsoring the first-ever basketball game between a team from the National Basketball Association and the Soviet national team.

The fast-food giant is in final discussions with the NBA to become title sponsor of the first World Basketball Open, a round-robin tournament involving a team from the NBA, the Italian professional champions and the Soviets.

The event is set for late October in an as-yet-unannounced U.S. city and will be carried by ABC-TV and

(Continued on Page 82)

Sears plans McKids, McDads and more. Page 82.

Shulton adds Scali, splits $47M account

By PAT SLOAN

American Cyanamid Co.'s Shulton USA division has rearranged its agency roster, splitting $47 million in spending between Carrafiello, Diehl & Associates and Scali, McCabe, Sloves and avoiding any mega-agencies that might result in conflicts now or in the future.

Under the new setup, Carrafiello, Diehl & Associates, Irvington, N.Y., gets $22 million by retaining the Combat line of insecticides and picking up Pine-Sol household cleaners and Lady's Choice antiperspirant.

New York-based Scali wins $25 million in billings, including the Old Spice line of men's fragrances and deodorants,

(Continued on Page 83)

Last Minute News

JWT buyout effort suspected

NEW YORK—JWT Group, in unusually heavy trading of more than 450,000 shares May 29, rose 2 points to 35¼ and had been as high as 36¼ earlier in the day, as rumors circulated of an accumulation of shares. JWT started the week at 31⅛ and usually less than 50,000 shares trade daily. Trading was heavy all week, and JWT itself had no idea who was buying. Various reports pointed toward a buyer familiar with the ad agency business. Some buy orders were coming from London, and Martin Sorrell's WPP Group emerged as one credible potential buyer. Another rumor focused on London-based WCRS Group. But WCRS sources indicated it had explored internally, and rejected, an offer for JWT.

Levine shops for Calif. agency

LOS ANGELES—Levine, Huntley, Schmidt & Beaver Chairman-CEO Harold Levine confirms he is in "serious discussions" about acquiring a Southern California agency. The New York-based subsidiary of Grey Ad-

(Continued on Page 8)

Will market new luxury cars

Toyota to join upscale drive

By CLEVELAND HORTON

Toyota Motor Sales USA is creating a new division to sell automobiles at the fast-growing upper end of the automotive market.

The new division, designed to compete grille-to-grille against European luxury/performance cars, joins the growing list of companies vying for a piece of the 22.5 million-vehicle U.S. car market. Within the past year, five new importers have entered—or announced plans to enter—the market.

Toyota's new division will place the leading Japanese importer in a segment of the market it hasn't approached head-on in its 29-year history of selling cars in the U.S.

Insiders said Toyota hasn't decided when it will go public

(Continued on Page 86)

Highlights

P&G prescribes medical endorsement 6

Procter & Gamble Co. will use a medical endorsement in ads for Citrus Hill Plus Calcium beverages to help increase its share of the fruit-juice market. According to sources, that advertising will be closely tied to the beverage's recent endorsement from the American Medical Women's Association, the third such independent "seal of approval" granted to the company.

Krafting growth through purchase 6

Kraft Inc. improved its position in the salad dressing and margarine categories last week by buying Anderson Clayton Foods from Quaker Oats Co. The purchase gives Kraft Seven Seas salad dressings and Chiffon margarine. Although the additional brand names improve Kraft's position in both markets, its overall ranking in those businesses remains unchanged.

As the megamerger dust clears 37

When Gerry Rubin walked away from the high-stakes world of ad agency megamergers to head his own spinoff shop, client-conflict headaches gave way to problems regional agencies have had adjusting to the megamerger fallout. Independent agencies now have a chance to grow from the resulting client-conflict fallout of merged shops. Big national agencies have begun to re-evaluate the value of a branch-office network.

Mickey Mouse leaves the parks 80

Walt Disney Co. is opening its first retail outlets outside its theme parks and may develop a national chain. Disney's consumer products division will open its second store in July; its first outlet has been open since March. The Disney Store stocks everything from $2.50 wind-up toys to $30 Mickey Mouse watches to a $2,700 porcelain scene from "Cinderella."

How the Duke was won 80

Primerica's $3.5 million print campaign introducing its new name began with an ad featuring a photo of John Wayne. The campaign only came together after months of negotiations with the late actor's heirs.

Justice in the 'Twilight Zone' 80

Commercial producers and ad agency executives are casting a wary eye toward the "Twilight Zone" trial, which saw film director John Landis acquitted of charges. The adverse publicity and lengthy court battle led to more caution in movie production and an increased awareness among those involved in making TV commercials.

Bright idea for outdoor ads 84

Gannett Outdoor Group flexed its marketing muscle last week with the national introduction of Superflex, a vinyl-coated fabric for outdoor boards that could revolutionize outdoor advertising. The material allows magazine-quality reproductions that will not fade for as long as two years, giving longer life to outdoor campaigns.

INTERNATIONAL

Advertisers side with consumers' rights 56

The World Federation of Advertisers has called on the Canadian government to reject its proposed ban on all promotion of tobacco products. The advertisers based their case on consumers' rights to information rather than the advertisers' own right to self-expression.

Big Mac lists ingredients in U.K., Germany 56

McDonald's nutrition-information print campaign, which has stirred controversy in the U.S., is being exported to Europe. Print ads extolling the quality and outlining the nutritional makeup of the chain's foods are running in West Germany and the U.K.

OTHER NEWS

Joan Collins goes from "Dynasty" dragon lady to a national name in lingerie when Sanmark-Stardust introduces the Joan Collins Lingerie Collection this fall. Page 12.

Periscope Associates hopes to round up corporate sponsors and a TV network for a three-day rodeo event, which will be part of a yearlong celebration of America's "forgotten black cowboys." Page 33.

Now that Sterling Drug Co. has stemmed the erosion of Bayer aspirin's market share, the company hopes to regain lost ground with expanded claims that Bayer can help prevent heart attacks. Page 64.

Claiming condoms are never available when they are most needed, a New Jersey company is introducing condoms in cigarette-size packs dispensed by vending machines. Page 65.

Lorimar Telepictures Corp.'s creation of a "new" Poppe Tyson specializing in business-to-business advertising comes at a time when the segment has lost some of its allure. Page 70.

Bausch & Lomb is expected to introduce hypoallergenic eye cosmetics by the end of 1987. The line will be handled by Della Femina, Travisano & Partners, which last month announced an undisclosed new-product assignment from Bausch & Lomb's Personal Products division. Page 71.

SPECIAL REPORT

***Licensing**—The double-digit growth of the early 1980s has slackened in the $54 billion licensing industry, as marketers and retailers weary of short-lived characters. But corporate licensing—particularly brand-extension ventures—will keep the industry growing.*

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CBS may say nix to Nielsen

Meter squabble continues

By VERNE GAY and JAMES P. FORKAN

NEW YORK—CBS-TV's top research official says there is "a real possibility" the network will not renew its ratings contract with A.C. Nielsen Co. and instead rely on other sources to get national ratings for its programs.

VP-Research David Poltrack, citing the network's "despondence" over Nielsen's people-meter data, said CBS could get data from AGB Television Research, which, like Nielsen, will start a national people-meter service Aug. 31.

CBS also could use syndicated local-market research services, such as Arbitron or Nielsen's, he added.

Mr. Poltrack and other network executives have hinted for months that CBS may defect, but few industry observers believed it would follow ABC, which canceled its Nielsen contract last February.

ABC, however, is expected to resign.

"It would be very difficult to operate without a national rating service," said Marvin Mord, VP-marketing and research services, ABC. Mr. Mord said it would be difficult to use AGB because it does not have a year of tracking data.

CBS, the only network to date to have signed with AGB, and Nielsen plan to discuss their future relations in meetings this week.

The networks will establish prices for their prime-time inventory for upfront sales next week, while actual negotiations will begin June 15.

Because virtually the entire ad agency buying community intends to buy upfront time based on people-meter data, this is a critical juncture for CBS.

Agencies would be hard-pressed to establish separate pricing estimates for one network using AGB audience estimates and for the other networks using Nielsen estimates.

Mr. Poltrack, at a briefing last week on the May sweeps, alluded to CBS' disagreement with Nielsen over the composition of its people-meter sample and the current sample's cooperation rate.

The TV networks and major syndicators have been hurt under the people-meter system and have been especially critical of the way Nielsen's audience numbers have varied with each new people-meter test-rating book.

Each network has various theories about the causes of these problems, and each is haggling with Nielsen about how the problems should be solved.

The networks have delayed signing new contracts until these "problems" have been addressed by Nielsen.

Both ABC and NBC have continued future contract negotiations with Nielsen.

Nielsen had hoped all three networks would take advantage of a $300,000 incentive for early sign-up in May; all three declined because of their concerns over the people meter.

Now Nielsen says there is a "possibility" that one or all of the networks could still be in negotiation by September, when Nielsen's new people-meter service is scheduled to kick off.

Meanwhile, the confusion grows as the ratings change with each new People Meter Evaluation Report, which comes out every other week.#

Seven shops vying for Invest America

MILL VALLEY, CALIF.—Invest America, a newly formed network of independent financial planners, reportedly named seven agencies as finalists for a $14 million-to-$20 million account. They are: Chiat/Day, Doremus & Co. and McCann-Erickson, all San Francisco; Financial Marketing Services, Santa Monica; and New York-based Angotti, Thomas, Hedge; Homer & Durham, and SSC&B:Lintas Worldwide.

West Coast News

International Food Marketing, Plainview, N.Y., hired Ketchum Advertising, Los Angeles, to handle the launch of a new line of frozen dinners and entrees based on recipes served at the Marie Callender's restaurant chain.

IFM is planning to introduce the Marie Callender's branded items on the West Coast in the fall, but plans to expand the line nationally in 1988.

Suissa Advertising, Santa Monica, Calif., is the agency for Marie Callender's restaurants.

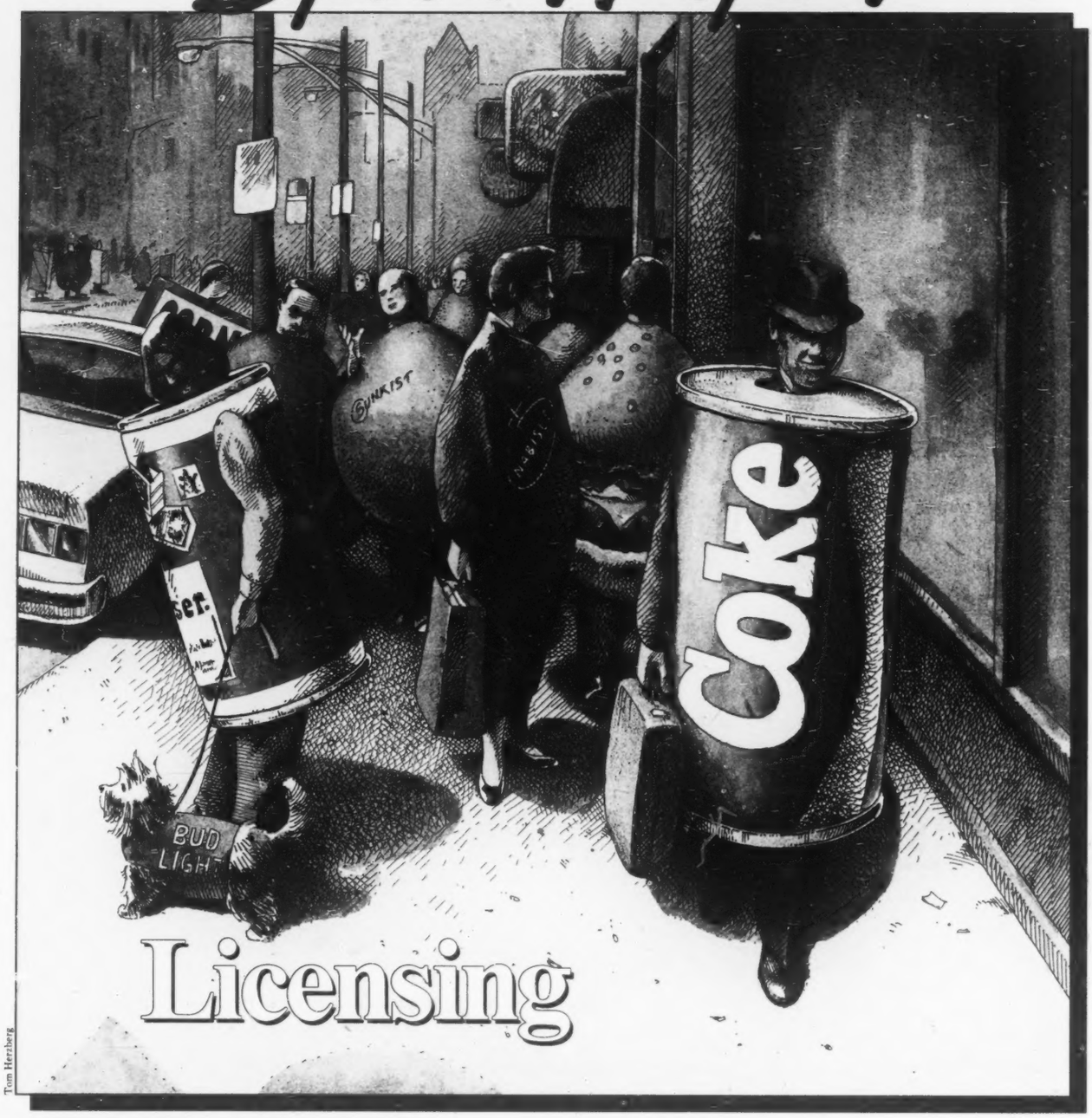
Sea World of California, San Diego, narrowed the review for its $5 million account to nine southern California agencies.

They are: San Diego-based Chapman/Warwick and Franklin & Associates; Los Angeles-based BBDO/West, Campbell & Wagman, DYR, and Gumpertz, Bentley, Fried Advertising; Cochrane Chase, Livingston & Co., Newport Beach; Reiser Williams DeYong, Irvine; and Salvati Montgomery Sakoda, Santa Ana.

A decision is expected by June 30. DDB Needham Worldwide, Los Angeles, previously handled all six Sea World theme parks.

MGM Grand Air, El Segundo, Calif., will introduce its scheduled service between Los Angeles and New York with a TV, radio and print campaign breaking June 15 in those cities. Ads for the luxury carrier startup, which plans to begin service by early July, use the tag line "Everything else is second class." Admarketing, Los Angeles, handles the $3 million account.#

Special Report



Tom Herzberg

Extensions leave brand in new areas

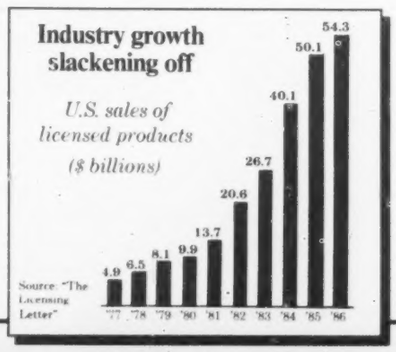
By Lori Kesler

When shoppers find themselves face to face with a shiny new Simplicity sewing machine, they sometimes wax nostalgic. "I remember my mom had a Simplicity machine way back in 1935," one woman was overheard saying.

Simplicity didn't make sewing machines in 1935. It doesn't even make them today. But New York-based Simplicity Pattern Co.'s name commands such power in the home sewing and crafts field that, through licensing, the company can bring consumers Simplicity brand sewing machines, scissors, craft kits and about 1,200 other related products.

Armed with research suggesting its "mother, God and apple pie" image could attract today's neotraditionalist parents, the company also has licensed a line of children's learning activities.

Lori Kesler, ADVERTISING AGE's St. Louis correspondent, examined the marketing of the Louisville Slugger name in the June 9, 1986, Licensing Special Report.



Jim Bell, director of new ventures, says Simplicity also may put its name on home-decorating products, small appliances and publications.

A growing number of companies like Simplicity are tapping into new product areas via licensing. This kind of brand extension represents the licensing industry's greatest growth opportunity.

Observers note that in the past, most companies put their logos on licensed products primarily to boost brand awareness—a trend which gave rise to Budweiser drinking glasses, Burger King erasers and Coca-Cola telephones.

Although this kind of promotional licensing probably will continue, most insiders say the industry's real future belongs to companies using licensing to reach beyond their core business into related product categories.

"Brand extension licensing has taken this

(Continued on Page S-2)